

ATTENTION GEORGE FOREMAN™ GRILL PURCHASERS

If you bought a Salton George Foreman™ Grill ("GF Grill") from Jan. 1, 1998 - Sept. 6, 2002 ("the Class Period"), please read this notice carefully.

The Attorneys General of all States (except Minnesota, Missouri and New Mexico), Puerto Rico, and the District of Columbia (the "States") have brought a resale price maintenance, exclusive dealing and monopolization lawsuit against Salton, Inc., claiming that Salton's alleged practices may have affected the price at which some Salton products were sold at some retail stores during the Class Period. No trial has been held on the merits of the States' allegations and Salton denies them. After extensive negotiations, the parties have agreed to a proposed settlement ("the Agreement") to avoid long and costly litigation.

Under the proposed settlement, Salton has agreed to pay the States \$7.654 million for claimed damages. This payment will be made in three installments, the last of which is on or before March 1, 2004. Salton will also pay the States \$200,000 for costs and attorneys' fees. Salton has agreed to a court order prohibiting certain conduct in the sale of its indoor contact grills, including agreements to set retail prices.

In view of the difficulty in identifying the millions of purchasers of the GF Grills covered by the settlement and the relatively small alleged overcharge per grill, the States propose to distribute the settlement amount on a state-by-state basis to not-for-profit corporations, charitable organizations, or governmental entities to advance health or nutrition-related causes, so as to benefit purchasers of GF Grills covered by the lawsuits.

Under the Agreement, once the Court finds the proposed settlement fair, adequate and reasonable, and once all appeals are resolved or all appeal periods have expired, individuals who have not timely requested exclusion from the settlement shall be deemed to have fully released all relevant claims.

This description is only a summary of the proposed settlement, the full terms of which are set forth in the Agreement. The Agreement and other relevant documents may be inspected during regular business hours at the Office of the Clerk, U.S. Courthouse, 500 Pearl Street, New York, NY 10007 or at: <http://www.naag.org/issues/20020909-multi-salton.php>.

The U.S. District Court for the Southern District of New York must approve the settlement for it to become effective. If you purchased a GF Grill during the Class Period, and you do not wish to be legally bound by the settlement, you must expressly exclude yourself from the settlement by no later than April 18, 2003. To exercise this right, or for more information, write to co-lead counsel for the States, at the address below.

The Court will hold a Fairness Hearing on May 30, 2003 at 2:00 p.m., in Courtroom 444, U.S. Courthouse, 40 Foley Square, New York, NY 10007 to determine whether to finally approve the proposed settlement.

Any resident of the States who has not requested exclusion may appear at the Fairness Hearing to explain why the proposed settlement should not be approved; provided, however, that no one shall be heard unless that person has filed with the Court on or before May 19, 2003, a Notice of Intention to Appear and Object, and copies of any papers supporting that persons' position and, contemporaneously has sent such documents by hand delivery or first-class mail to the individuals listed below. Residents of the States who approve of the proposed settlement need not appear or take any other action.

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By Order of the Court _____

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